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SUBJECT: FIRST ANNIVERSARY OF HURRICANE KATRINA; U.S. SUPPORT OF
ARGENTINA'S CLAIM AGAINST TWO VENTURE CAPITAL FUNDS; HURRICANE
ERNESTO; ARGENTINA'S DECISION NOT TO SEND TROOPS TO LEBANON;
08/30/06;

1. SUMMARY STATEMENT

Today's local dailies lead with the first anniversary of Hurricane Katrina; Hurricane Ernesto; the US Government's amicus curiae filing supporting Argentina's claim against two venture capital funds seeking to opt out of the terms under the GOA's debt swap deal; and Argentina's decision not to send troops to Lebanon (daily-of-record "La Nacion's" editorial forcefully criticizes the GOA decision not to send peacekeeping troops to Lebanon).

2. OPINION PIECES AND KEY STORIES

- "One year after Katrina (hurricane), Bush promises help in New Orleans"

Ana Baron, Washington-based correspondent for leading "Clarín," writes (08/30) "... (With respect to the USG's response to Hurricane Katrina), US President George W. Bush acknowledged that authorities 'fell short of accomplishing their duties', and he promised 'we are dealing with what did not work.'"

"... Aware of the fact that legislative elections are getting closer and that this first anniversary of the hurricane is not good for him or the G.O.P. candidate, US President Bush's tone started to change during a mass at Saint Louis de Jackson Square church, during which he said 'a lot has been done, but there is still a lot to be done.'"

- "Possible favorable ruling for Argentina in the case of embargoed reserves"

Ana Baron, Washington-based correspondent for leading "Clarín," comments (08/30) "After the hearing in New York, the Argentine Government expects the Federal Court of Appeals to decide that the embargo of 105-million-dollar Argentine Central Bank reserves (obtained by two venture capital funds last January) is not valid... As a matter of fact, yesterday Argentina received the support of the US Federal Reserve and the US Department of Justice."

"... What is in question is whether the 105 million dollars the Argentine Government had deposited in the New York Reserve... belonged to the Central Bank reserves or whether those funds were transferred to the Argentine Treasury when the country's debt to the IMF was paid back. In the first case, the reserves cannot be embargoed... But, in the event the Government was in possession of the funds when making the payment of its debt to the IMF, reserves can be embargoed."

"... The US Federal Reserve argued that, according to its records,

the funds were deposited in the Central Bank account and, therefore, they belonged to the Central Bank and not to the Argentine Treasury. Thus, these reserves cannot be embargoed.

"For its part, Attorney Serrin Turner, from the US Department of Justice, said that for the USG, the IMF is so important that its loans have to be treated differently from other kinds of loans."

- "US on alert vis-à-vis the arrival of Hurricane Ernesto"

Hugo Alconada Mon, Washington-based correspondent for daily-of-record "La Nacion," writes (08/30) "Last night, one year after Hurricane Katrina, the US was getting ready to receive its first 2006 weather challenge with tropical storm Ernesto..."

"The Governor of Florida, Jeb Bush, asked residents in the area of the hurricane to take precautions because, according to the National Hurricane Center (NHC), the storm could get stronger before reaching shore.

"The authorities of Miami and Fort Lauderdale, among other cities, preventively ordered the opening of refuges, the closing of schools and the immediate evacuation of those living in houses that are still being repaired due to the damage caused by the last hurricane season.

"... Bush took responsibility for the mistakes made during the slow and incomplete reconstruction of the last twelve months and he added that his administration is 'solving what was wrong,' although most Americans fear that this effort could also take a long time.

"According to a Rasmussen Reports opinion survey, only 36 per cent of Americans believe that emergency services are better prepared to face these kinds of disasters than they were last year."

13. EDITORIALS

- "Lebanon will not have Argentine peacekeeping forces"

An editorial in daily-of-record "La Nacion" reads (08/30) "The Nestor Kirchner administration's decision not to send troops to the UN peacekeeping force in Lebanon is a clear step backward for Argentina, which contradicts the decade-long active participation of Argentine military in international peacekeeping forces.

"Argentina has always reacted positively to UN requests for members of the Armed forces to join multinational troops stationed in areas of conflict.

"... UN peacekeeping forces cannot be taken as an issue of convenience or selfishness. The participation of a country is a clear sign of its honest commitment..."

"The Argentine decision is a mistake, and it is aggravated by the country's affinity with regimes of the region that are at odds with the defense of peace, such as the Chavez administration."

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